

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4329-01
Bill No.: HJR 45
Subject: Constitutional Amendments: General Obligation and Revenue Bonds
Type: Original
Date: February 19, 2002

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|--------------------|------------------|------------------|
| FUND AFFECTED | FY 2003 | FY 2004 | FY 2005 |
| General Revenue | (\$208,260) | \$128,851 | \$132,328 |
| Highway | \$0 | \$31,190 | \$32,128 |
| Workers' Compensation | \$0 | \$248,507 | \$254,719 |
| Total Estimated Net Effect on <u>All</u> State Funds | (\$208,260) | \$408,548 | \$419,175 |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|-----------------|-----------------|
| FUND AFFECTED | FY 2003 | FY 2004 | FY 2005 |
| Unemployment Compensation | \$0 | \$24,805 | \$25,425 |
| Department of Mental Health | \$0 | \$17,263 | \$17,715 |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$42,068 | \$43,140 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|-------------------------------------|---------|---------|---------|
| FUND AFFECTED | FY 2003 | FY 2004 | FY 2005 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Higher Education** indicated that expenses for Coordinating Board Commissioners is about \$25,000 per year. Officials of the **Department of Transportation** indicated that expenses for their commissioners is about \$29,400 per year. Officials of the **Missouri Department of Conservation** indicated that the proposal would save expenses for meetings of their commission. Officials of the **Department of Labor and Industrial Relations** indicated that the proposal would save salaries of two commissioners and the commission chair; however, the Department would need to hire someone to review process of cases now heard by the Labor and Industrial Relations. They would request a Deputy Department Director to make and issue determinations. They also noted that the Department Director and Deputy Directors would have additional administrative duties which might cause them to request additional support staff. Officials of the **Department of Mental Health** stated that the Mental Health Commission is supported by a staff person who would not be needed under terms of this proposal. They would also save the budget for the Commission.

Oversight notes that the changeovers could not take place until the directors were appointed by the Governor with the advice and consent of the Senate. Oversight assumes savings and costs (except for election costs) would begin in Fiscal Year 2004.

Advertisement costs for the proposal would be \$3,471 per newspaper column inch for three printings of the text of the proposal, the introduction, title, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2002 general election.

| | | | |
|---|---------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2003 | FY 2004 | FY 2005 |
|---|---------|---------|---------|

GENERAL REVENUE FUND

| | | | |
|---|-----|-----------|-----------|
| <u>Savings</u> - Department of Higher Education | \$0 | \$25,750 | \$26,523 |
| <u>Savings</u> - Department of Mental Health | \$0 | \$105,749 | \$108,520 |

Cost - Department of Labor and Industrial Relations (DOL)

| | | | |
|----------------------------|------------|------------|------------|
| Personal Service (.02 FTE) | \$0 | (\$1,947) | (\$1,996) |
| Fringe Benefits | \$0 | (\$701) | (\$719) |
| Expense and Equipment | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Administrative Cost to DOL | \$0 | (\$2,648) | (\$2,715) |

Cost - Secretary of State

| | | | |
|--------------------------|-------------|-----|-----|
| Newspaper Advertisements | (\$208,260) | \$0 | \$0 |
|--------------------------|-------------|-----|-----|

| | | | |
|---|---------------------------|-------------------------|-------------------------|
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>(\$208,260)</u> | <u>\$128,851</u> | <u>\$132,328</u> |
|---|---------------------------|-------------------------|-------------------------|

HIGHWAY FUND

| | | | |
|---|-----|----------|----------|
| <u>Savings</u> - Department of Transportation | \$0 | \$31,190 | \$32,128 |
|---|-----|----------|----------|

| | | | |
|---|-------------------|------------------------|------------------------|
| ESTIMATED NET EFFECT ON HIGHWAY FUND | <u>\$0</u> | <u>\$31,190</u> | <u>\$32,128</u> |
|---|-------------------|------------------------|------------------------|

WORKERS COMPENSATION FUND

Savings - Department of Labor and Industrial Relations (DOL)

| | | | |
|-------------------------------|------------|------------|------------|
| Personal Service (2.5 FTE) | \$0 | \$246,973 | \$253,147 |
| Fringe Benefits | \$0 | \$88,935 | \$91,158 |
| Expense and Equipment | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Administrative Savings to DOL | \$0 | \$335,908 | \$344,305 |

Cost - Department of Labor and Industrial Relations (DOL)

| | | | |
|----------------------------|------------|------------|------------|
| Personal Service (.66 FTE) | \$0 | (\$64,261) | (\$65,867) |
| Fringe Benefits | \$0 | (\$23,140) | (\$23,719) |
| Expense and Equipment | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Administrative Cost to DOL | \$0 | (\$87,401) | (\$89,586) |

| | | | |
|--|-------------------|-------------------------|-------------------------|
| ESTIMATED NET EFFECT ON WORKERS COMPENSATION FUND | <u>\$0</u> | <u>\$248,507</u> | <u>\$254,719</u> |
|--|-------------------|-------------------------|-------------------------|

FEDERAL FUNDS

UNEMPLOYMENT COMPENSATION FUND

Savings - Department of Labor and Industrial Relations (DOL)

| | | | |
|-------------------------------|------------|------------|------------|
| Personal Service (.5 FTE) | \$0 | \$49,395 | \$50,629 |
| Fringe Benefits | \$0 | \$17,787 | \$18,232 |
| Expense and Equipment | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Administrative Savings to DOL | \$0 | \$67,182 | \$68,861 |

Cost - Department of Labor and Industrial Relations (DOL)

| | | | |
|----------------------------|------------|------------|------------|
| Personal Service (.32 FTE) | \$0 | (\$31,157) | (\$31,936) |
| Fringe Benefits | \$0 | (\$11,220) | (\$11,500) |
| Expense and Equipment | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Administrative Cost to DOL | \$0 | (\$42,377) | (\$43,436) |

| | | | |
|---|-------------------|------------------------|------------------------|
| ESTIMATED NET EFFECT ON UNEMPLOYMENT COMPENSATION FUND | <u>\$0</u> | <u>\$24,805</u> | <u>\$25,425</u> |
|---|-------------------|------------------------|------------------------|

| | | | |
|--|-----|----------|----------|
| <u>Savings</u> - Department of Mental Health | \$0 | \$17,263 | \$17,715 |
|--|-----|----------|----------|

| | | | |
|--|-------------------|------------------------|------------------------|
| ESTIMATED NET EFFECT ON FEDERAL FUNDS | <u>\$0</u> | <u>\$42,068</u> | <u>\$43,140</u> |
|--|-------------------|------------------------|------------------------|

| | | | |
|---|---------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2003 | FY 2004 | FY 2005 |
| | \$0 | \$0 | \$0 |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would remove the Highways and Transportation Commission, Conservation Commission, Labor and Industrial Relations Commission, Coordinating Board for Higher Education, State Board of Education, and Mental Health Commission from the constitution.

Their functions would be assigned to the respective departments or department directors
DESCRIPTION (continued)

currently under commission or board direction.

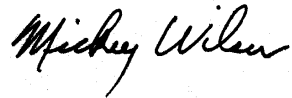
GVB:LR:OD (12/00)

The Commissioner of Administration would be renamed the Director of Administration.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This legislation would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Higher Education
Department of Labor and Industrial Relations
Department of Mental Health
Department of Transportation
Missouri Department of Conservation
Secretary of State



Mickey Wilson, CPA
Acting Director
February 19, 2002